

BEFORE THE
OFFICE OF ADMINISTRATIVE HEARINGS
STATE OF CALIFORNIA

In the Matter of:

PARENT ON BEHALF OF STUDENT,

v.

CARLSBAD UNIFIED SCHOOL
DISTRICT.

OAH Case No. 2015110488

ORDER DENYING STUDENT'S
REQUEST TO SET ASIDE
SETTLEMENT AGREEMENT;
GRANTING DISTRICT'S MOTION TO
DISMISS

On March 23, 2016, a status conference was held with Justin R. Shinnefield, attorney for Carlsbad Unified School District, and Eugene Long, attorney for Student regarding the status of the parties' January 28, 2016 settlement agreement and dismissal of Student's complaint. Before this status conference, the Office of Administrative Hearings had denied Student's request, submitted by Parents, to set aside the January 28, 2016 settlement agreement in this matter, which the District's Board subsequently approved on March 2, 2016. Because Student wishes to set aside the settlement agreement, Student would not be submitting a request that this matter be dismissed. As a result of the status conference, OAH ordered briefing by the parties as to Student's request to reopen this matter, and District's request that OAH dismiss this matter. Parties timely submitted briefing.

Student's Request to Reopen Matter

On February 22, 2016, Parents, on behalf of Student, informed OAH that they were rescinding their consent to the January 28, 2016 Settlement Agreement entered between Parent and District. OAH denied Student's request on March 1, 2016, to set aside the settlement agreement. The settlement agreement was subject to approval by District's board, which was scheduled to occur on March 2, 2016.

Student's March 28, 2016 brief requests that OAH set aside the settlement agreement because Parent's were coerced into entering the agreement. Secondly, Student contends that the agreement was a product of mistake that obviates mutual consent. Finally, Student contends that the settlement agreement should be voided because its terms cannot be performed as written. District did not submit a response.

Settlement agreements are interpreted using the same rules that apply to interpretation of contracts. (*Vaillette v. Fireman's Fund Ins. Co.* (1993) 18 Cal.App.4th 680, 686, citing *Adams v. Johns-Manville Corp.* (9th Cir. 1989) 876 F.2d 702, 704.) "Ordinarily, the words of the document are to be given their plain meaning and understood in their common sense; the parties' expressed objective intent, not their unexpressed subjective intent, governs." (*Id.* at p. 686.) If a contract is ambiguous, i.e., susceptible to more than one interpretation, then

extrinsic evidence may be used to interpret it. (*Pacific Gas & Electric Co. v. G. W. Thomas Drayage & Rigging Co.* (1968) 69 Cal.2d 33, 37-40.) Even if a contract appears to be unambiguous on its face, a party may offer relevant extrinsic evidence to demonstrate that the contract contains a latent ambiguity; however, to demonstrate an ambiguity, the contract must be “reasonably susceptible” to the interpretation offered by the party introducing extrinsic evidence. (*Dore v. Arnold Worldwide, Inc.* (2006) 39 Cal.4th 384, 391, 393.)

The parties signed the Settlement Agreement on January 28, 2016, that resolved all claims in this matter. Student did not establish that anything in the agreement gave Parents the right to rescind to the agreement. As to Student’s contention that OAH should set aside the agreement because it was the product of duress and mistake, plus impossibility of implementation, OAH lacks the legal authority to set aside a settlement agreement. Pursuant to *Y.G. v. Riverside Unified School Dist.* (C.D.Cal. 2011) 774 F.Supp.2d 1055, 1061-1062, OAH does not have the authority to modify a settlement agreement or determine whether it was obtained by duress, mistake or impossibility. (See, Ed. Code, § 56501, subd. (a).) A party’s remedy to set aside the terms of a settlement agreement is to institute a court action. (See, *Porter v. Manhattan Beach Unified School District* (9th Cir. 2000) 307 F.3d 1064, 1074.) Accordingly, Student’s request to set aside the settlement agreement is denied.

District’s Request that OAH Dismiss Student’s Case

District moved on March 28, 2016, that OAH dismiss Student’s complaint as District’s board approved of the settlement agreement, which Student filed an opposition brief on April 1, 2016. Incorporating the legal discussion above as to interpretation of settlement agreements, District established that Parents signed a Settlement Agreement on January 28, 2016, subject to approval by District’s board, which occurred on March 2, 2016. Nothing in the agreement gave Parents the right to rescind to the agreement, as the only condition subsequent was the approval of the agreement by the District’s board. Finally, OAH does not have jurisdiction to set aside the agreement. Accordingly, District’s motion that this matter be dismissed is granted, and April 6, 2016 status conference vacated.

IT IS SO ORDERED

DATE: April 5, 2016

DocuSigned by:
Peter Paul Castillo
F0BCD8A6A62C4E9...

PETER PAUL CASTILLO
Presiding Administrative Law Judge
Office of Administrative Hearings